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INITIATIVES FOR CHANGE: FOLLOW-UP TO DECISION 95/22, PARAGRAPH 4

Note by the Administrator

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I. PURPOSE

1. The present note is submitted in response to paragraph 4 of Executive Board decision 95/22. It reviews lessons learned from the first efforts of UNDP in corporate planning and indicates proposed refinements in the structure of future corporate plans and in the corporate planning process itself, including several already endorsed by UNDP senior management. The note also contains the proposals for the main elements of the 1996-1997 corporate plan, which will be presented to the Board at its annual session 1996 in further pursuance of its decision 95/22.

II. CORPORATE PLANNING IN UNDP

A. Structure and process

2. UNDP made its first corporate plan available to the Executive Board at its annual session in 1995. The plan, which is a new tool in the making, defines the scope of the organization's annual work programme within the mandate given in decision 94/14 and establishes measures of organizational performance and accountability.

3. As with other instruments of its kind, the 1995 corporate plan posits objectives on three levels: mission goals, corporate operational objectives, and unit-level objectives. The plan identifies key results areas that bring objectives on these three levels into functional alignment. In this way, the plan seeks to bring individual units and the organization as a whole closer to achieving corporate goals and to show the contribution of each unit in that process. The plan also sets out performance indicators for gauging outcomes in key results areas and identifies lead focal points responsible for coordinating tasks in cross-functional areas. The new tool thus provides a framework for managing and monitoring institutional change with greater accountability.

4. The 1995 plan was developed in the first four months of the year. Its three corporate goals were adopted from the UNDP strategic planning framework (a synthesis of the dialogue leading to, and the priorities arising from, decision 94/14).

5. The plan moved forward after the Administrator and senior managers, through a consultative process early in 1995, identified five major operational priorities within the strategic planning framework. These priorities, subsequently adopted in the 1995 plan, were:

(a) Strengthen country offices for the operationalization of sustainable human development (SHD);

(b) Increase resource mobilization and constituency-building;

(c) Prepare the 1996-1997 biennial budget strategy and the fifth cycle Successor Arrangement;

(d) Improve support to the United Nations system and fulfil the role of UNDP in the "continuum";

(e) Improve UNDP management accountability and information systems.

6. The Office of Evaluation and Strategic Planning (OESP) provided guidance and advice to bureaux and units on how their individual annual work plans should be aligned with the new corporate planning process. It was agreed that these work plans would contain three new structural elements: (a) a situational analysis; (b) key results areas; and (c) indicators of performance. These elements are present in many 1995 unit plans.

7. Further improvements in the corporate planning process have since been endorsed by senior management. Senior managers will determine operational priorities earlier in the organizational calendar. Timely decisions on such priorities will encourage coordinated work planning by bureaux and units.

8. At the bureau/unit level, managers will develop more precise and realistic performance measures related to quantity, quality and timeliness. In addition, a standard work plan format is being developed and will be adopted by all units. A standardized format will introduce greater consistency in the formulation of work programmes. It will help managers to capture more uniformly the categories of information required to monitor organizational performance under the next plan, and will show more clearly how each unit contributes to the overall goals of the organization. Last but not least, such standardization will facilitate the automation of the process by which the corporate plan is prepared.

B. Plan period

9. The 1995 corporate plan was developed in step with the annual Performance Appraisal Review (PAR) and bureau/unit work planning processes in UNDP, which are usually completed in the first quarter of the year. These three exercises are closely interrelated and should continue to be undertaken together according to a schedule that allows for review, consultation and adjustment. It is, however, desirable to advance that schedule in order to enable UNDP to complete its corporate plan somewhat earlier.

10. Furthermore, it is important to develop a closer relationship between the planning and budgetary cycles in UNDP and therefore to align these two cycles as soon as feasible. Since UNDP prepares its budget estimates on a biennial basis, with annual revisions at mid-point, synchronizing the corporate plan and the biennial budget processes would lead to an integrated two-year plan period. This would offer managers a realistic financial and temporal framework for implementing the major operational objectives of the organization.

11. It is proposed that this synchronization be achieved by the start of the next biennial budget cycle (1998-1999). As a transitional step, senior management has decided that the forthcoming corporate plan should span the eighteen months between June 1996 and December 1997. The current plan for 1995 did not in fact become operational until mid-1995 and much that is in it will continue to be implemented through the first half of 1996. A summary of current

highlights is presented in the Administrator's memorandum "Five goals for the coming year", dated 3 April 1995 (see annex I).

III. THE 1996-1997 CORPORATE PLAN

12. Based on the foregoing review, and taking into account Executive Board decision 95/22, the following structure is proposed for the 1996-1997 corporate plan: (a) mission statement; (b) situational analysis; (c) corporate operational objectives; (d) action plan (matrix). The main elements of each proposed section are outlined below.

A. Mission statement

13. In paragraph 4 of its decision 95/22, the Executive Board indicated the need for a concise mission statement drawing together all the essential functions of UNDP in the light of the goals and priority areas of decision 94/14. There are four such areas: poverty elimination; the creation of employment and sustainable livelihoods; the advancement of women; and the regeneration of the environment. In paragraph 3 of decision 95/22, the Board referred to poverty elimination as "the overriding priority in the programmes of UNDP" and cited capacity-building as the leading comparative advantage of UNDP.

14. The decision that UNDP should concentrate, within the SHD framework and among its four priority areas, on poverty elimination is an important development in UNDP's programme mandate. UNDP is therefore refining the policy focus, cross-thematic implications and operational consequences of its newly concentrated mandate. The Bureau for Programme Policy and Support (BPPS) is initiating a series of consultations and UNDP will be consulting informally with the Executive Board on this matter.

15. In order to formulate a representative UNDP mission statement, the Administrator, in October 1995, requested senior managers both at headquarters and in country offices to consult with their staff on a text drafted to take account of the consensus on the new strategic direction of UNDP reached at the Rye global meeting and, most importantly, in decisions 94/14 and 95/22. The Staff Council was also invited to review this draft. The mission statement (see annex II) captures the outcome of this consultative process and will be part of the 1996-1997 corporate plan.

B. Situational analysis

16. In the same way as for the 1995 corporate plan, this section will provide an executive-level assessment of the role and performance of UNDP in a changing global environment. The assessment will identify the major priorities and issues of UNDP, including concentration on poverty elimination, that will influence operations in the near term.

17. The section will also provide an analysis of programme trends, continuing institutional changes in UNDP, management dimensions, the resource position of

the organization and other strategic issues related to the mission and objectives of UNDP.

C. Operational objectives and action plan

18. At the time of writing (November 1995), consultations between the Administrator and senior management on UNDP near-term operational priorities were moving forward. Seven corporate operational objectives have provisionally been identified through this discussion. If adopted, these objectives would provide continuity with those of the 1995 corporate plan and would thus confirm UNDP efforts to sustain its new orientation. The seven objectives define outcomes considered pivotal to the organization's overall performance under its mandate. Such objectives, once finalized, would constitute a framework for the preparation of unit-level operational plans, which would in turn define results areas that will support these major outcomes.

19. In preparing the 1996-1997 plan, consideration could be given to bringing operational objectives (2), (3) and (4) below - which focus on the closely interrelated issues of decentralization, management accountability and human resources management - under one umbrella objective relating to the creation of a leaner, more accountable organization. For the purpose of clarifying operational implications in these three areas, they are identified separately in the present note.

1. Operationalizing SHD with a concentrated focus on poverty elimination, particularly through strengthening UNDP country offices

Comment

20. It is understood that UNDP must redouble its efforts to deliver SHD programmes, aided by the new priorities and framework for resource assignments approved by the Executive Board at its annual session in 1995. The Board's decision that poverty elimination should be the overriding priority of UNDP indicates a sharper policy focus for such programming. As noted earlier, BPPS has embarked on a plan for developing a more distinct anti-poverty focus within the main UNDP thematic areas. BPPS will also lead efforts to address the multidimensional challenge of poverty elimination from a cross-thematic perspective. In support of this focus, particular attention will be given to an analysis of measures that will help to create an enabling environment for popular participation, private sector development, responsible governance, and growth with equity.

21. Regional bureaux and country offices have already undertaken substantial innovative work in SHD at the country level. They will build on this experience and will be closely involved in the development and application of the new programming tools and modalities that are required. The restructuring of country offices to respond to new programming needs will also continue to be a corporate priority. This objective therefore has major operational implications and derives directly from the UNDP programme mandate.

2. Implementing the new programming cycle arrangements and ensuring enhanced delivery

Comment

22. This objective is the sequel to its predecessor in 1995, and takes into account the adoption of decision 95/23. Several innovative resource planning, assignment and programming processes will be worked out, tested and confirmed during the next two years. Methodological changes will need to be completed by 1997 and a transitional arrangement is currently being put into place. This work will involve not only the Division for Resources Planning and Coordination of the Bureau for Resources and External Affairs (BREA/DRPC) and the Division for Operational Policies and Procedures (BPPS/DOPP) but also the regional bureaux and all country offices. UNDP expects to devote significant corporate energy and time to making the new incentive-based arrangement fully operational and to monitoring and evaluating its functioning.

23. Line units responsible for programme management and implementation are expected to make special efforts to ensure the full delivery of quality programmes under the new arrangements. The enhancement of programme content to reflect the SHD mission and, within it, the concentration on poverty elimination, will be a critical consideration, together with the optimal utilization of resources available for programming. A separate focus on this objective in the corporate plan is justified in view of the close interest of all stakeholders in the new system.

3. Building constituencies and mobilizing resources for SHD

Comment

24. UNDP must continue to develop a stronger media presence, a clearer public profile and a more active constituency base grounded in its mission to promote SHD. It will also continue to have a significant role in framing aspects of the global development agenda, including through the Human Development Report and in identifying elements of a new framework for development cooperation based on SHD. UNDP has important outreach assignments in the follow-up to major United Nations global conferences, which can be fulfilled only through cooperation with non-governmental organizations (NGOs), the private sector, the science and technology community, legislators, women's groups and other similar parties. This work must proceed at the global, regional and national levels. There are significant operational implications for BREA, BPPS, the Human Development Report Office (HDRO), ODS and OESP in this area. Constituency building also cuts across the activities of the Regional Bureaux and Country Offices, and is an essential objective of the new, more globally conscious and outward-looking UNDP.

25. In 1995, UNDP designed and adopted a new, differentiated corporate resource mobilization strategy, with emphasis on enhanced mobilization of core resources. It will help the organization to define product lines, target core contributions more systematically, promote planned non-core funding and conduct internally coordinated approaches to individual donors. While the Division for Resource

Mobilization (BREA/DRM) will take the lead in this area, this strategy also emphasizes efforts at the national level. It will, by its nature, engage extensively the regional bureaux, country offices, BPPS and the United Nations Office for Project Services (UNOPS).

4. Testing modalities of decentralization

Comment

26. The changes recently adopted in the UNDP organizational structure and programme resource allocation system rest on the assumption that UNDP must strengthen one of its chief comparative advantages, namely its network of country offices. This, in turn, implies that the potential of that network must be realized by placing capacities and functions in optimal locations through decentralization. UNDP is already committed to this objective within the framework of its 1996-1997 biennial budget.

27. To move UNDP in this direction, nine country offices and one headquarters division have been identified as the first in a wave of centres of experimentation that will help the organization to test and refine innovations in quality service and programme impact assessment at the country level. The centres will provide feedback on their experience with new procedures for the increased delegation of programme and project approval authority; revised planning, programming and reporting schedules; and the improved monitoring, review and audit of programme operations. More offices will be designated centres of experimentation and agents of change each year. The experiment is being overseen by OESP in conjunction with the regional bureaux and the Division of Personnel (DOP). The Division of Finance in the Bureau for Finance and Administration (BFA/DOF) and the Division of Audit and Management Review (DAMR) will oversee financial monitoring and accountability aspects.

28. In the next corporate plan period, UNDP will implement, as part of decentralization, the Integrated Programme Management (IPM) and Integrated Management Information Systems (IMIS) initiatives. These two essential undertakings will help to transform the knowledge base of the organization and encourage more informed decision-making at all levels. The Division of Administrative and Information Services (BFA/DAIS) has a major role in coordinating these initiatives, in conjunction with BPPS, OESP, regional bureaux and country offices.

5. Improving management accountability

Comment

29. The Administrator considers this to be a fundamental, ongoing objective, with operational aspects that are both financial and substantive. On the financial side, BFA and DAMR will continue to strengthen, maintain and monitor the accountability systems of UNDP, including codes of personal conduct and financial rules and regulations. UNDP has put in place and enforces procedures that impose personal liability for loss to the organization and penalize

infractions of financial or other rules. Linkages between individual staff performance, unit work plans and the corporate plan itself must be further developed to ensure the highest standards of personal responsibility. New audit procedures must also be replicated programme wide. UNDP country offices in Asia and Africa are now independently audited by leading international accounting firms, a practice that should be applied everywhere in the near future.

30. In substantive terms, OESP, with the regional bureaux and country offices, will continue to emphasize independent evaluations and results-based programme management and assessment while BPPS/DOPP will support the development of operational procedures for programming with accountability.

6. Managing human resources for change

Comment

31. DOP is preparing a major human resources strategy that will underpin most of the changes that UNDP seeks to effect in the next two years. The strategy will identify targets for the size, composition and flow of the UNDP workforce in the light of: emerging functional and thematic priorities; the budgetary environment; the revised organizational structure of UNDP; and considerations such as gender equity. Recruitment, reassignment, performance management, career development, job classification and conditions of service will be reviewed and adjusted to support the refocused mission of UNDP. Together with DOP, managers in all areas, in cooperation with the Staff Council, will participate in adapting the human resources management function to deal with the process of change and restructuring.

7. Enhancing the function of the resident coordinator and UNDP performance in countries in crisis and other emergency situations

Comment

32. Recognizing the need to overcome fragmentation and improve coordination in the United Nations, UNDP has made managing and supporting the resident coordinator system a top priority. Recruitment of resident coordinators/resident representatives has been extended to other United Nations organizations and special training programmes have been put in place. Additional UNDP resources will be allocated to support the work of the resident coordinator, including in emergency situations.

33. Resident coordinator/resident representative assignment exercises have been made more rigorous, with clearer definitions of individual country needs. The system has been expanded to accommodate the humanitarian coordinator function and it seeks to surround crises with development opportunities. Simultaneously, United Nations specialized agencies have moved to recognize and strengthen the role of resident coordinators and UNDP has created the Office of United Nations Support Services (OUNS) at headquarters to provide special support to the

system. These are major responsibilities and challenges on which UNDP must focus its corporate efforts as a service to the United Nations.

Matrix

34. The action plan for implementing UNDP operational objectives will follow the structure that was tested and found useful in 1995. That is, it will consist of a matrix of major objectives and, under each one, will indicate aggregate subobjectives, key results areas, performance measures and lead focal points. The action plan will be developed in the first quarter of 1996, in conjunction with the formulation of bureaux and unit work plans.

D. Monitoring and reporting

35. UNDP has a multilevel, decentralized structure for monitoring the implementation of the corporate plan. Monitoring mechanisms exist on different levels, ranging from the Performance Appraisal Review (PAR) assessments to the Strategy and Management Committee (SMC) and the Executive Board itself.

36. Bureaux and units are responsible for monitoring the implementation of work plans. Projects and programmes are monitored by country offices. The regional bureaux design and implement their own mechanisms for monitoring the performance of country offices. Central services bureaux and units in headquarters monitor their own activities, against the performance measures specified in work plans. Organizational progress on strategic priorities is monitored by OESP.

37. These internal arrangements will remain in effect and will be strengthened during the next plan period. In particular, it is necessary to solidify at headquarters the system of periodic progress reports from Bureaux and units through which OESP monitors the corporate plan. Since July 1995, the quarterly report, Managing Change: Update has mirrored the operational objectives of the 1995 corporate plan. The effectiveness of this report depends on the extent and quality of information provided by headquarters units. As stated earlier, senior managers will give more attention to ensuring consistency in this respect by adopting a standard format for unit work plans and by assigning fixed reporting officers in their respective areas.

38. At the level of the Executive Board, and in the interests of streamlined documentation, UNDP will bring a new focus to an existing reporting system. From June 1996 onward, the introduction to the annual report of the Administrator will provide an aggregate account of organizational performance under the corporate plan.

Annex I

1995 KEY GOALS: MEMORANDUM FROM THE ADMINISTRATOR

The Administrator **United Nations Development Programme**
Sustainable Human Development

MEMORANDUM

To: Strategy and Management Committee Members
Resident Representatives — 3 April 1995

From: James Gustave Speth — Extn. 5791

Subject: Five Key Goals for UNDP in the Coming Year

UNDP is embarked on an important journey to reinvent itself and to strengthen the UN system's capacity to deliver more effective and efficient technical and other forms of assistance to the developing countries and countries in transition, in support of sustainable human development. Within the SHD framework, UNDP must also respond to challenges in crisis-prone countries and in post-crisis situations, in close collaboration wit the UN Secretariat and other UN organizations.

UNDP has embarked on this journey out of the conviction that the only way to respond to the challenges facing international development cooperation in the long haul is to become a significantly different organization, and to spearhead change within the UN system for operational activities. This is a sink or swim proposition. Incremental change is not enough. Reinvention is about altering organizational culture, developing new capabilities, and achieving and sustaining measurable results.

During the past eighteen months, UNDP has made major strides in these directions. Primary emphasis has been placed on laying the foundations for long-term, sustainable change in the organization. Looking ahead to the coming year, I have consulted extensively with senior managers at Headquarters and with numerous Resident Representatives and representatives of our programme and donor countries. I would like now to share the five goals that we, together, must achieve.

Goal 1: Strengthening Country Offices for the Operationalization of SHD

1995 must be a year for accelerating SHD's shift from concept to action. We have a powerful new mandate and framework from our Executive Board. Now we must get busy consolidating the structure itself. This calls for the identification and sharing of successful initiatives under each of the four mission goals, further guidance on programme development, and a sharper focus on capacity building in governance for SHD. Within the SHD framework, we must give top priority to the eradication of poverty. Of our four goals, it is listed first for a reason. Let us make it clear that UNDP is the UN's anti-poverty organization - a world partnership against poverty. The results of the Copenhagen Summit are extremely important for UNDP's future work, and I will be communicating with you shortly about our new responsibilities in this regard.

Success in eradicating poverty, providing jobs and sustainable livelihoods, advancing women, and regenerating the environment will not be possible without effective governance and vigorous involvement of civil society, including both NGOs and the private business sector. Capacity building for such governance and building partnerships with civil society must be strengthened in many UNDP country programmes. Our new rules facilitating NGO participation in UNDP programmes should be implemented without delay.

Our greatest strength is our network of country offices. Decentralization and the strengthening of that network are both vital in successfully repositioning UNDP as a major resource in SHD. We must make measurable headway in reconfiguring the structure and staffing of our Country Office network, further ensuring that they are endowed with quality staff, more efficient procedures for planning and monitoring, deeper substantive capacities, new information channels, and clearly defined products and services. Training, staff selection, the clarification of expectations and the revitalization of service ideals are key supports. UNDP country offices will be equipped to help programme countries identify sustainable human development priorities responsive to their needs, fulfil national commitments under international agreements, and build needed capacities. At Headquarters, plans, services and initiatives must be firmly oriented towards providing guidance and support directed at the needs of the 85 percent of UNDP staff on the front line.

A 10-point business plan for implementing the decentralization package was recently discussed with Country Office representatives attending the Costa Rica meeting on the Integrated Project Management. The business plan sets out clear and monitorable strategic steps to be taken to empower and build capacity in Country Offices, while maintaining accountability. It recognizes that UNDP is first and foremost a field-based organization, and that programming and operational responsibilities should be fully entrusted to the Country Offices. Before taking further decisions on this plan, I am calling for a review of UNDP's financial rules and procedures to make sure that increased delegation of authority in matters such as programme and project approvals, contracting and other areas remains consistent with a satisfactory system of internal controls.

Operationalizing SHD requires both leadership and support from UNDP. (i) Country Offices can display leadership by example through pacesetting country and regional programmes. The time has come for all Country Offices to demonstrate initiative in SHD by interpreting and responding themselves to the opportunities for effective, focused interventions in their various different national settings. Some offices are well on the way to doing this, while others require more stimulus. (ii) Headquarters units should nourish and guide such individual initiatives, analyze progress and results achieved in different countries/regions, and draw out comparisons and lessons for feedback and replication. In particular, the reorientation of BPPS reflected in the "BPPE to BPPS" reorganization plan must be fully and quickly realized. BPPS' new field-oriented mandates have been precisely identified in that plan.

Goal 2: Resource Mobilization and Constituency-Building

An aggressive and diversified resource mobilization campaign, supported by a vigorous and articulate public awareness drive, is essential. Our campaign must be sensitive to the different approaches of various donors and also the different types of funding available to the organization. It should develop customized approaches to donor capitals supported by quality media products, public statements and articles. The campaign should affirm that core resources are at the centre of UNDP's instrumentality and that they provide the leverage and continuity that are needed to attract and programme non-core funds.

While pressing unremittingly for core pledges, we must continue to build non-core resources. The attached table shows that non-core resources are almost equal to core resources. We must recognize that trends in donor budgets point to the award of funds by theme. A UNDP "product line" must be developed - a menu of development services built on UNDP's proven capabilities and linking donor interests to country-driven development priorities. We must be ahead of the curve here in readiness for a new framework or development cooperation. Cost-sharing, both with bilateral agencies and with programme countries must increase in all regions.

A new priority must be given to resource mobilization at the country level. Country offices must be encouraged - and helped - to tap bilateral budgets and loan funds from the financial institutions, and to identify country - or region-specific agendas which provide UNDP with access to new resource flows.

Two "cultural" changes within UNDP are essential. Regarding financial resources, UNDP must shift from "how to spend" culture to a "how to mobilize and spend' one, with responsibility for raising funds widely dispersed in the organization.

Simultaneously, UNDP must become "constituency oriented", complementing our clear sense of service to our stakeholders with a major outreach campaign to mobilize support for UNDP's work with NGOs, women's organizations, private businesses, the science and technology community, parliamentarians and others. UNDP must have a stronger media presence, a clearer public profile, and a more active constituency base.

Goal 3: Preparation of the 1996-97 Biennial Budget Strategy and Fifth Cycle Successor Arrangement

How we deal with these two challenges will share the future of UNDP for years to come. The budgetary environment means that we have some hard choices to make in order to continue with the transition to leaner and better business practices. We can either be driven passively by financial necessity, or act on the opportunity to move ahead of events with a budget and resource allocation plan that anticipate the UNDP of the future. At Glen Cove, senior managers recently focused on goal-driven approaches to expenditure reduction, and the Budget Group is currently working to translate these and related ideas into specific options, with identified costs. In looking at trade-offs, we must ensure that cost reduction is effected in a manner

consistent with UNDP's missions, goals and initiatives for change, and that capacities which will critically influence success in these directions are adequately funded. Further reorganization may be necessary to accomplish needed economies.

Negotiations on the planning framework, criteria for resource distribution and modalities for accessing resources in the next programming cycle are also at a decisive juncture. As with the budget strategy to which these programming matters are intimately related, we must see that our proposals to the Executive Board are aligned with the mandate for change embodied in decision DP/1994/39. The year 1995 should see UNDP's vision, mission, initiatives and resources cohere in a unified and credible framework for action. The new "6th Cycle" proposal to the Executive Board, is now available and will be discussed a the April meeting.

Goal 4: Improving Support to the UN System and Fulfilling UNDP's Role in the "Continuum"

UNDP must continue to broaden and strengthen its partnerships in the UN system. The ongoing discussions on the Agenda for Development, relations with the Bretton Woods institutions and the Specialized Agencies, new initiatives for Africa, and past and future U.N. conferences and conventions provide entry points to strengthen both UNDP and our partnerships inside and outside the United Nations. Events and reviews generated by the 50th Anniversary resent other opportunities for UNDP.

Well prepared follow-up to the major 1995-96 UN Conferences, both at the country and Headquarters levels, is vital. We must help in the design of appropriate institutional arrangements in conjunction with UN system partners. Our goal must be to help translate international agreements into concrete action plans with identified funding and a unified UN system response.

The role of the Resident Coordinator is growing rapidly in importance and responsibility, as the just-released CCPOQ guidelines underscore. The 1995 Triennial Review of Operational Activities will address this issue among others. The Resident Coordinator system is one of UNDP's major contributions to the United Nations and to development cooperation. Continuing to build and strengthen the system and support our Resident Coordinators is now a paramount responsibility for UNDP. Each regional bureau must give the role of the Resident Coordinator a new priority. The new Resident Coordinator support plan must be strengthened and fully implemented.

It is apparent that almost half of all ODA channelled through the United Nations is now allocated for emergency relief operations. Drawing talent from throughout the UN system, UNDP must provide the UN system with a strong capability to handle the Humanitarian Coordinator function through the Resident Coordinator system, thus rationalizing country-level coordination and preserving the link between development and crisis management. In this and other ways, we must continue to build our links to DHA. Even more, we can take the lead within the UN in what the Secretary-General has termed "preventive and curative" development -

development that mitigates or halts the onset of catastrophe by providing hope and opportunity and that helps societies rebuild, mobilize and reintegrate in the aftermath of crisis. A development organization in today's United Nations must seek to surround crises with opportunity. UNDP must be a strong development partner for HCR and others.

To pursue this responsibility, we must carefully appraise and strengthen the capabilities of our offices in emergency-prone countries. A rapid expansion of UNDP's cadre of experienced and tested managers and the formation, as required, of special teams of readily-mobilized staff are related priorities. None of this, of course, can be done without first weighing the costs of training, recruitment and temporary staff deployment for handling emergencies, and taking the right decisions in our budget strategy. The position paper on UNDP's response to emergencies is being finalized, taking into account the views of the SMC, and it will shortly be available as a guide to action.

Goal 5: Improving Management Accountability and Information Systems

Management accountability is a fundamental issue linked to UNDP's overall image, efficiency and effectiveness. We must continue to root out and correct weaknesses in UNDP's performance that have been identified by the Board of Auditors. On the administrative side, systems and procedures in place for the management of reserves, the use of consultants. inventory control and cost-effective procurement should be rigorously applied. Compliance rates in key areas such as programme financial monitoring and evaluation are low and must be brought up. The review function of the Standing Committee on Personal Responsibility and Financial Liability must be scrupulously maintained. We must also build on successful initiatives such as the Regional Service Centre mechanism which has delivered significant improvements in the auditing and monitoring of field office accounts.

We must learn from and build on our management skills training and team-building experience to strengthen our management culture and staff morale. The linking of strategic plans to unit and individual plans, with clear performance dimensions that will also be reflected in PARS, is under way. Good performance planning and assessment, clear recognition of achievement and quick action to address non-performance hold the key to an effective and responsible management regime.

We must aggressively implement our new policy on gender equity within the organization and also find new ways to recognize and take till advantage of the tremendous talent and dedication of our National and General Service staff members.

Programme management requires continued close surveillance, as evidenced by the comments of several Executive Board members at their January 1995 session. New instruments such as the Programme Support Document and the Programme Support Implementation Arrangement, as well as effective use of existing tools such as evaluation feedback, can help to sharpen the focus of UNDP programme interventions, reduce their number and define performance measures. These instruments must be applied consistently

Capturing, tracking and applying UNDP's experience and performance is no possible as long as the programme database and information systems remain mired in the past. We must act quickly to overcome this disabling limitation and move on to genuine output-based programme evaluation and monitoring, including financial monitoring, effective learning and the dissemination of meaningful results. A clear priority is sharply enhanced ability to allocate expenditures and projects against our new programme goals, using up-to-date sub-categories. Finding ways to reconstruct the database so that it goes beyond outmoded classification to yield more relevant and dependable allocation, progress, and results information is an early priority. Ready access to new programme information categories and evaluation data by Headquarters units and Country Offices is a related priority. The latter should be a major goal of the decentralization package.

We must move decisively to join the information revolution, and to position UNDP competitively within it. The alternative - to let that revolution pass us by - is unthinkable.

These five directions arise, from the circumstances facing UNDP and the framework for dealing with them which has been defined, elaborated and put in place in the last eighteen months. I invite your comments to me on steps I can take to realize these goals. Mechanisms are either in place or soon will be to promote progress in these directions. But your own initiative is what will make the difference. **I count on each of you to ensure that UNDP pursues these directions with energy, enterprise and conviction. You are the experts on how to get things done within and by UNDP, and you know your areas of responsibility. I am counting on you for results. Even more, the success of our programme depends on your decisive leadership.**

Annex II

DRAFT MISSION STATEMENT a/

WE THE PEOPLES OF THE UNITED NATIONS DETERMINED
...to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small,
...to promote social progress and better standards of life in larger freedom, and for these ends
...to employ international machinery for the promotion of the economic and social advancement of all peoples,
have resolved to combine our efforts to accomplish these aims ...

From the Preamble to the Charter of the United Nations

We, the staff of the United Nations Development Programme, affirm our mission and corporate goals to be as follows:

Mission

We belong to the United Nations family and we uphold the vision and principles of its Charter. Our mission is to help countries build national capacity to achieve sustainable human development, giving top priority to eliminating poverty. We assist countries to define and carry out development programmes that respond to their own priorities, are people-centred, and concentrate on equity, employment, empowerment and environmental regeneration.

Corporate Goals

Our mission is guided by three corporate goals defined by our Executive Board:

- To strengthen international cooperation for sustainable human development and to serve as a major substantive resource on how to achieve it;

- To help the United Nations family become a unified and powerful force for sustainable human development; and

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a/ **This draft follows the three-part structure of a typical mission statement used by corporations and some donor agencies. The mission is stated in terms of mandated goals and functions that define the organization's main purpose; the corporate objectives** are the key goals of the organization within this mandate (decision 94/14); the **corporate priorities** reflect the "philosophy" of the organization and the salient features of its operations.

- Most importantly, to focus UNDP strengths and assets to make the maximum contribution to sustainable human development in the countries we serve.

Corporate Priorities

Our work is country-based and country-driven. Eighty-five per cent of our staff works in our network of 136 offices servicing more than 174 countries.

We firmly believe that development is inseparable from the quest for peace and global security, and that the pursuit of sustainable human development is a wiser, more effective, more humane and **more cost-effective** investment in the future than action to re-establish peace after it has broken down.

We recognize that development must meet the needs of people today while safeguarding the options of future generations. The programmes we assist promote poverty elimination, the creation of employment and sustainable livelihoods, the advancement of women and the regeneration of the environment. In support of these areas of focus, when so requested, we help to foster an enabling environment for popular participation, private sector development, responsible governance, and growth with equity. We also act quickly to help in rebuilding societies in the aftermath of war and humanitarian emergencies.

In administering our assistance, **we rely on the support and counsel of our 36-member Executive Board, representing our partner countries.** We draw on the expertise of **international consultants,** developing country nationals, civil society organizations, the specialized agencies of the United Nations system and research institutes in relevant fields. We also actively promote the sharing of experience among developing countries.

At the country level, our Resident Representatives serve as Resident Coordinators of the operational activities for development. They help to orchestrate the full **financial**, intellectual and technical resources of the United Nations system in support of national development.

We allocate the programme funds entrusted to us through criteria which favour low-income and least developed countries. We receive voluntary contributions from nearly every country in the world.

We conduct our work in a manner transparent, impartial and accountable to all our stakeholders, including our staff.

We are committed to a process of continuing self-evaluation and reform, not only to improve our own efficiency and effectiveness but also to assist the United Nations system in becoming a stronger force for the benefit of the countries and people we serve.

In a changing world, we will continue to help frame a new agenda for international development cooperation and to assist countries to respond to its global, regional and national dimensions.